RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. The Republican leader is recognized.

INFLATION

Mr. McCONNELL. Mr. President, at this time last year, Washington Democrats were beginning their quest to dump trillions of dollars in leftwing spending on a recovering economy that already had the preconditions for some inflation. Everybody warned Democrats to pump the brakes. Just weeks earlier, Republicans had already supported a smaller, targeted, bipartisan stimulus that had barely started to take effect. Even top liberal economists warned the Democrats' agenda could spark massive inflation.

The consequences for working families have been particularly harsh. Essential goods have played an outsized role in driving up prices overall. It is harder to put dinner on the table when eggs, meat, and fish are 12 percent more expensive. It is harder to fill up cars with gas that is 40 percent more expensive and to heat a home with natural gas that has gone up 24 percent or fuel oil that has gone up 47 percent. This is reality for millions of Americans. They are living it every single day.

Yet the Biden administration seems less interested in trying to solve this problem than in trying to persuade families that the pain is actually just in their heads. One recent story reported that members of President Biden's team were ''seemingly mystified'' about why the American people weren't celebrating this economy.

Well, if Washington Democrats spent 5 minutes talking to a middle-class family, I am confident they would cease to be mystified. The middle 40 percent of American earners have seen their disposable incomes fall more than an entire percentage point over the last year—entirely due to inflation. Any American who hasn't managed to secure an 8-percent pay raise in the last year has actually received a real pay cut, thanks to Democrats' inflation.

The American people are reporting their lowest consumer sentiment in over a decade. Seventy-five percent say our economy is doing badly. Almost 80 percent expect inflation to get worse. Six in ten say their family's income isn't keeping pace with their costs of living.

These are not statistics the White House can wave away. We are actually talking about human pain. A working mother in Michigan said:

> I cannot buy the food that I would normally buy for my family.

In Washington State, a single mom of four who also cares for her elderly parents says she has had to take favorite family foods like frozen pizza and wings and make them ''more of a treat than just a regular meal.''

This is where Democrats' policies have left working families.

FEDERAL RESERVE BOARD OF GOVERNORS NOMINEES

Mr. McCONNELL. Mr. President, now, on a related matter, this Democrat-caused inflation has forced the Federal Reserve and its Board of Governors into a very tricky position. But while the country is carefully watching the Fed Board of Governors, the Senate happens to be considering several of President Biden's nominees to that very same Board.

Later today, I will meet with Chairman Powell, whom President Biden wisely renominated to serve another term atop the Fed. Chairman Powell has proven to be a straight shooter within the mainstream of monetary policy. His creative leadership helped stabilize our entire economy through the uncertain early days of the COVID recession. I look forward to discussing inflation and the state of our economy with Chairman Powell this afternoon.

Unfortunately, several of President Biden's other Fed nominees appear to have been significantly less wise selections. One nominee, Professor Cook from Michigan State University, has previously promoted partisan conspiracy theories. In 2020, she called for a fellow academic to be fired because he opposed defunding the police.

The White House cites among Professor Cook's qualifications that she sits on the Board of Directors of the regional Fed in Chicago. She was appointed to that position just a few days before President Biden nominated her for this one.

More troubling still is President Biden's nominee to the extremely powerful position of Vice Chair for Supervision. This slot comes with major unilateral power. But the President's nominee, Sarah Bloom Raskin, has spent recent years pressuring the Fed to stop being a neutral regulator and instead become an ideological, leftwing activist body.

Ms. Raskin has argued openly that unelected Fed Governors should use their powers to declare ideological war on fossil fuels and affordable American energy.

Ms. Raskin wants our banking system to start picking winners and losers in ways that would stick American families with higher gas prices, higher electricity bills, and more dependence on China. And she wants to implement this agenda from inside one of the least directly accountable institutions in our government so that voters simply have no recourse.

The far left is already boasting that this backdoor Green New Deal would only be the first step. Democrats have already introduced legislation that would get the Federal Reserve into the racial redistribution business and inject racial preferences into our financial system. These unpopular ideas would completely upend an institution that Americans need to remain nonpolitical, nonpartisan, and nonideological. Fed Governors are supposed to be neutral regulators, not economic policy dictators whom voters can't get rid of.

If this weren't disqualifying enough, potentially significant ethical questions have begun to swirl around Ms. Raskin's nomination. During her time out of government, Ms. Raskin became affiliated with an obscure financial technology firm in Colorado. Shortly thereafter, somehow, mysteriously, this small company became what appears to be the only nonbank financial tech company in the entire country to receive a special master account that allowed them to directly access a core Federal Reserve system.

This is an obviously worrisome topic, but I understand that Senators have not even been able to get Ms. Raskin to satisfy their basic requests for information. So I would urge President Biden to find a better, more mainstream, more bipartisan candidate to serve this crucial institution.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to executive session and resume consideration of the following nomination, which the clerk will report.

The senior assistant legislative clerk read the nomination of Celeste Ann Wallander, of Maryland, to be an Assistant Secretary of Defense.

Mr. McCONNELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant legislative clerk proceeded to call the roll.

Mr. DURBIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO COREY TELLEZ

Mr. DURBIN. Mr. President, I want to take a moment to say a special word of thanks to a former member of my staff who has meant a lot to me and has performed great service in my office.

Corey Tellez was part manager and part legislative magician. She was also my deputy chief of staff. She was one of the first persons I would reach out to. She seemed to always find a way to translate big ideas into legislation and then legislation into law.

Corey is driven by solid values. She has a special talent for management and organization. Every Senator should be so lucky to have a Corey Tellez on their staff.

Corey joined my staff nearly 11 years ago as my economic policy adviser. Her first assignment was to help craft and build support for a bill called the Marketplace Fairness Act. Here was the goal: give Main Street businesses across America, mom-and-pop shops, a level playing field on which to compete against the giant online retailers by giving States the option to require out-of-State businesses to collect sales tax on online sales, the same way local businesses do.

The big online retailers resisted. Corey would not back down. She worked with the staff in the offices of our main cosponsors—Senators Mike Enzi, Heidi Heitkamp, and Lamar Alexander—and together they came up with a solution that won support on both sides of the aisle and even won the support of some of the giant retailers.

In 2013, the Marketplace Fairness Act passed the Senate. Corey was still working on getting the bill signed into law when, to our surprise, in 2018, the Supreme Court issued a ruling negating the need for it by giving the States the same option our bill created.

Corey had made her mark, and she became a critical part of our legislative team. Six years ago, I moved her up to be my legislative director. Three years ago, she became my deputy chief of staff.

At the end of last year, to my disappointment, she announced she was moving on from the Senate for a new opportunity, working for the Department of the Treasury in their congressional relations office. She is returning to the field she loves, with a special emphasis on international economic policy. I have no doubt she is going to be successful just as she was in the Senate.

Corey first came to the Hill 15 years ago, working in the Congressional Hispanic Caucus as an intern to the office of Representative HENRY CUELLAR of Texas. She already had a degree in political science and history and a law degree from the University of Illinois.

She worked on the House side as a legislative assistant for Representative Carolyn McCarthy of New York and as deputy chief of staff and counsel for Representative Debbie Halvorson of Illinois.

It is an impressive resume, but I think that Corey has put as much effort and passion into advancing the careers of others as she has her own. My own staff is filled with talented men and women whom she encouraged and gave a chance to grow professionally.

There is a danger, when you work with policy and dry legislative text for a long time, that you might forget the people whose hopes and dreams ride on the laws we enact. That never was a problem for Corey. While growing up, Corey's mom was a single mother.

She views every bill and every initiative through the eyes of a proud, hardworking American, just like her mom. Basically, she has two basic questions when it comes to these issues: Are they true to the Constitution? Do they treat working families with fairness and dignity? That was her litmus test for any legislative undertaking. I can't think of a better one.

Since joining my staff, she became a mother too. She and her husband are parents to a little daughter, Elliott.

With her move to her next exciting assignment, I want to say again: Thank you, Corey, for all that you have given our office, the Senate, and our State of Illinois. I am wishing you the very best of luck in your new position.

JOHNSON & JOHNSON BANKRUPTCY

Mr. President, what would a great corporation do, one that is just so identified with America that new parents trust their products and the work they do with the health of themselves and their brandnew baby?

When you think back, for many of us, to when we became fathers, there was hardly a time when we didn't have, holding in our hands, Johnson & Johnson's Baby Powder. It clouded the room as we sprinkled it all over our babies and knew that it was just the right thing because others before us, other generations, had used the same product.

What is a company like Johnson & Johnson to do, then, when it turns out that there was an ingredient in that talcum powder that was dangerous? Asbestos. Literally, asbestos. Well, it turns out they knew about it. They knew there was asbestos in Johnson & Johnson Baby Powder long before the lawsuits were filed.

So what does a corporation worth $450 billion do when they discover that the product that they had been selling for generations to trusting American families was actually a danger and was now being connected to cancers and mesothelioma?

Years ago, there was a great folk singer in America known as Woody Guthrie. He said there are two ways to get robbed. ''Some will rob you with a gun, some with a fountain pen.''

There are two systems in America, and Johnson & Johnson bears that out. There is a justice system for rich, powerful people and corporations, and then there is a justice system for everybody else. And many days, it seems that the gulf between these two systems is just getting wider and deeper.

There is something called the Texas two-step. It used to be just a dance step, but in recent years, it has taken on a new meaning, and it relates directly to Johnson & Johnson. It is a name given to a highly controversial form of legal strategy that some of the biggest corporations are using to shield their assets from accountability. It allows massively wealthy corporations whose products caused harm to avoid paying damages to the victims.

Not just that, the Texas two-step denies the victims their right to make their case in court and take their issue to a jury or a judge. And it can stretch the process of seeking justice out for years and years and years, while victims get sicker and die.

Does that sound like justice? It doesn't sound like American justice. It sounds like somebody getting robbed with a fountain pen.

A big law firm that is credited with dreaming up this Texas two-step charges over $1,000 an hour to advise large corporations on how to perform this maneuver.

But we received a lesson on the Texas two-step in our committee last week for free.

The Judiciary Committee's Subcommittee on Federal Courts, Oversight, Agency Action, and Federal Rights held the first ever Senate hearing on the Texas two-step. We heard from experts just how it works. We also heard from one of its victims, Ms. Kimberly Naranjo, who has been given a fatal diagnosis from the lung disease mesothelioma. The name of that corporation she believes caused her illness: Johnson & Johnson.

Here is what we heard about how the Texas two-step works now, in a nutshell. Here is a big corporation like Johnson & Johnson that is being sued because it sold a dangerous product or it is likely to be sued for causing harm to victims. Well, they take their corporation and reincorporate in the State of Texas and execute what is called a ''divisive merger.'' They cut their corporation not in half but legally in half.

In a traditional merger, two companies become one. With a divisive merger, it is just the opposite: One company becomes two. The original company keeps all the wealth, all the assets, and all the operations. The new company, created in this Texas procedure, is really just a shell. It receives the original company's debts and liabilities and a small trust fund.

The new company then reincorporates and turns around and files for bankruptcy in a jurisdiction where it is hard to get a bankruptcy filing dismissed for bad faith. This bankruptcy filing prompts a stay of litigation by people like Ms. Naranjo. The stay of litigation applies to both the shell company and the original company. So instead of being able to seek justice in a court of law for injuries, perhaps fatal injuries, victims are forced to try to recover from this newly created shell company that was made up in a bankruptcy court. How long does that take? Years. Sadly, for many of these victims, they don't have years.

As the victims wait for some measure of justice in bankruptcy court, the original company goes about its business. It has shielded all its assets, passed its liabilities off in divisive merger to a shell corporation. The good corporation, so to speak, or the rich corporation ends up with no liabilities, admitting no wrongdoing.

Under the laws of most States, companies cannot move assets around like this through divisive mergers, but you can do it in Texas, hence the nickname